

## Message Text

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ORIGIN AEC-11

INFO OCT-01 SCI-01 ISO-00 /013 R

66604

DRAFTED BY USAEC/IP/EM:FADDON

APPROVED BY SCI/AE:H DANIEL BREWSTER

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R 271550Z SEP 73

FM SECSTATE WASHDC

TO AMEMBASSY BONN

USMISSION EC BRUSSELS

USMISSION IAEA VIENNA

C O N F I D E N T I A L STATE 190777

FOLLOWING SENT BOMBAY INFO NEW DELHI FROM SECSTATE  
WASHDC 25 SEP 73:

QUOTE C O N F I D E N T I A L STATE 190777

E.O. 11652: N/A

TAGS: IAEA, TECH, ESTC

SUBJ: INDIA'S UNAUTHORIZED TRANSFER OF US NUCLEAR  
MATERIAL TO FRG

REF: NEW DELHI 11079 WHICH RPTD DEPARTMENT BOMBAY 1869

1. WE ARE PLEASED TO LEARN OF SETHNA'S COOPERATIVE  
REACTION AND HOPE IT WILL BE REFLECTED IN PROMPT  
COMPLETION STEPS SPECIFIED PARAS 4 AND 5 STATE 183319  
AND EXCHANGE OF CORRESPONDENCE AFFIRMING INDIAN INTENTION  
COMPLY WITH PROVISIONS OF THE AGREEMENTS AS WRITTEN,  
SPECIFICALLY BILATERAL ARTICLE SEVEN AND TRILATERAL  
SECTION SEVEN, SO THAT US-INDIAN COOPERATION CAN CONTINUE  
UNINTERRUPTED.

2. CORRESPONDENCE EXCHANGED NEED NOT AND SHOULD NOT  
CONTAIN ANY LANGUAGE REGARDING POINTS RAISED BY SETHNA  
PARAS 2 AND 3 REFTEL. REQUIREMENT TO OBTAIN US AGREEMENT  
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PRIOR TO RETRANSFERRING MATERIALS OUTSIDE GOI JURUS-

DICTION, IN ACCORDANCE WITH GUARANTEES OF BILATEARAL AGREEMENT(ARTICLE SEVEN), CANNOT BE COMBINED WITH JOINT NOTIFICATION REQUIREMENTS OF TRILATERAL. (SECTION 9 OR OTHER SECTIONS).

3. URGE CONGEN REVIEW CAREFULLY THE TEXT OF BOTH AGREEMENTS AND DISABUSE SETHNA OF APPARENT BELIEF THAT TRILATERAL SUPERSEDES BILATERAL. BOTH TEXTS ARE CONTAINED IN IAEA INFCIRC/154 OF WHICH COPY SENT PINAJIAN WITH DALTON AUGUST 9 MEMO. NOTE ESPECIALLY SECTION FOUR OF TRILATERAL. TRILATERAL PROVIDES FOR IAEA ADMINISTRATION OF SAFEGUARDS PROVISIONS OF BILATERAL AND SECTION FOUR ONLY SUSPENDS U.S. RIGHTS TO IMPLEMENT SAFEGUARDS PROVISIONS OF ARTICLE SIX BUT DOES NOT AFFECT OTHER PROVISIONS OF BILATERAL INCLUDING SPECIFICALLY ARTICLE SEVEN.

4. IN ADDITION TO JOINT NOTIFICATION REQUIREMENTS OF SECTION SEVEN, TRILATERAL AGREEMENT DOES PROVIDE FOR NOTIFICATIONS TO AGENCY REGARDING CERTAIN OTHER TYPES OF TRANSFER. IN PRESENT SITUATION, HOWEVER, WE ARE CONCERNED WITH SECTION SEVEN PROVISION FOR JOINT NOTIFICATIONS REGARDING US MATERIALS TRANSFERRED TO INDIA, BECAUSE IT IS ONLY THROUGH SUCH NOTIFICATIONS THAT US MATERIALS CAN BECOME SUBJECT TO IAEA SAFEGUARDS. THEREAFTER, OTHER PROVISIONS OF TRILATERAL, E.G. SECTIONS 9, 10 AND 11 COME INTO PLAY AND WE EXPECT GOI TO IMPLEMENT SUCH OBLIGATIONS.

5. ARTICLE VII OF BILATERAL AND SECTION 7 OF TRILATERAL ARE THUS BASIC MATTERS FOR WHICH WE REQUIRE PROMPT ASSURANCE SETHNA'S INTENTIONS. WE CANNOT PERMIT THIS TO BE OBSCURED BY SETHNA'S CONFUSION OVER "MODALITIES" OF NOTIFICATION RAISED PARA 3 REFTEL. SUGGEST CONGEN LETTER STATE THAT THE PROCEDURES REQUIRED FOR VARIOUS MOVEMENTS OF NUCLEAR MATERIAL WILL BE THE SUBJECT OF FURTHER CONSULTATION, BUT WE CAUTION THAT SETHNA'S REPLY SHOULD NOT REPEAT NOT CONDITION HIS ASSURANCES RE ARTICLE VII AND SEC. 7 UPON SUCH FURTHER CONSULTATIONS.

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6. USAEC WILL WRITE CONGEN CLARIFYING THE VARIOUS OTHER NOTIFICATION PROCEDURES. HOWEVER, ACTION REQUIRED TO SETTLE CURRENT SITUATION SHOULD NOT BE DELAYED PENDING SUCH CLARIFICATION. IT IS ESSENTIAL THAT ALL REQUIRED STEPS BE COMPLETED IMMEDIATELY IN ORDER TO AVOID ANY POSSIBLE DIFFICULTY IN CONNECTION WITH AUTHORIZATION TO EXPORT FROM US MATERIAL THAT IS TO BE DELIVERED TO GOI OR GOI AGENT AT USAEC AAK RIDGE PLANT IN OCTOBER. TO

ASSURE SATISFACTORY EXCHANGE OF CORRESPONDENCE, BELIEVE  
CONGEN SHOULD REVIEW LETTER TO SETHNA AND SETHNA  
RESPONSE IN DRAFT.

7. RE VAZ QUERY, REPORTED NEW DELHI 11207, REGARDING  
MB-10 FORM. ADVISE HIM HE MAY SIMPLY DELETE WORDS  
QUOTE ON A SALE/LEASE BASIS UNQUOTE. RUSH  
UNQUOTE. RUSH

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** NUCLEAR ENERGY, NUCLEAR AGREEMENTS, NUCLEAR FUELS, NUCLEAR SAFEGUARDS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 27 SEP 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** elyme  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973STATE190777  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** FADDON  
**Enclosure:** n/a  
**Executive Order:** GS BREWSTER  
**Errors:** N/A  
**Film Number:** n/a  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19730911/aaaaahyp.tel  
**Line Count:** 123  
**Locator:** TEXT ON-LINE  
**Office:** ORIGIN AEC  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:**  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** NEW DELHI 11079 WHICH RPTD DEPARTMEN, T BOMBAY 1869  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** elyme  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 29 AUG 2001  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <29-Aug-2001 by martinml>; APPROVED <13-Sep-2001 by elyme>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** INDIA'S UNAUTHORIZED TRANSFER OF US NUCLEAR MATERIAL TO FRG  
**TAGS:** TECH, ESTC, IAEA  
**To:** BOMBAY  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005